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CONSUMER PROTECTION DIVISION



Department of Justice

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Attorney General's Office

June 8, 2006

Gerald M. Chizever Loeb & Loeb LLP 10100 Santa Monica Blvd, Suite 2200 Los Angeles, CA 90067-4120

Re: People to People International, and Ambassadors Group, Inc.

Dear Mr. Chizever:

Thank you for your letter of April 25, 2006, regarding the concerns we had expressed with the manner in which the People to People travel programs, which are marketed by your client, Ambassadors Group, Inc., are presented to would-be travelers. This letter memorializes our understanding of specific actions "People to People" Ambassador programs will be taking to address our concerns, particularly our concerns that parents may be misled into believing that their child was selected on merit when that is not the case, and that parents may be manipulated into making substantial expenditures they might otherwise decline to make.

We understand that students/parents typically must pay approximately \$5,000 for the student to be a "People to People" Student Ambassador traveling abroad.

As you know, our concerns began when the mother of a child who had died in 1993 at seven weeks of age received a letter last September from People to People inviting her son to "join other outstanding middle school students from the Des Moines and Central Iowa area who are eligible for People to People . . ." The letter indicated that her son had been "recommended for the honor by a teacher, former Student Ambassador or national academic listing."

The letter raised concerns that parents were being led to believe that their child had been chosen for an honor based on recommendations or academic performance, criteria that could not possibly have applied to the infant who died years ago at seven weeks of age. We later learned that in-person presentations to families who received the invitation letter also convey the message that students are specially selected as an honor, and we found that People to People representatives with whom our investigator had phone contact described the program in the same manner.

We ultimately determined that one of the ways students are "selected" to receive an invitation from People to People is through a comprehensive national listing of persons projected to be students within a targeted age range. This explains why the mother of the infant who died a dozen years ago received an invitation, even though her child was never a student, let alone an "outstanding" student recommended for an "honor." This appears to be the "national academic listing" referred to in your letter to the Iowa mother. As noted above, parents who are induced to believe that their child was selected on merit are potentially misled into making large expenditures they would not have made otherwise.

You have indicated that your client is modifying the letter and the in-person presentation that relate to the particular student travel program in question in order to address our concern that aspects of the letter and presentation are misleading, especially regarding how potential participants are "selected" for solicitation. Moreover, even though you have indicated that our concerns exhibit a "lack of merit," and are "unfounded and unwarranted," you have nevertheless agreed to review other letters and promotions that your client sends or presents to Iowans, to make sure that the same concerns do not apply. We appreciate your cooperation in that regard.

As a further aspect of this effort to resolve the dispute regarding your client's marketing practices, you have indicated that your client is making donations in honor of the deceased child to children's charities supported by the child's family, namely, \$5,000 to the Iowa SIDS Foundation and \$20,000 to Blank Children's Hospital.

Finally, please note that the mother of the deceased child has asked that we avoid bringing her name or the name of her child to the attention of the general public. We intend to do what we can to respect that request, and we hope that you and your client will do so as well.

Thank you for your attention to the concerns we have raised.

Steve St. Clair

Sincerely,

Assistant Attorney General

Celebrating Five Decades of International Exchange

People to People International Kansas City, Missouri, U.S.A.

Founder:

President Dwight D. Eisenhower

Honorary Chairman:

President George W. Bush

Past Honorary Chairmen:

President John F. Kennedy

President Lyndon B. Johnson

President Richard M. Nixon

> President Gerald R. Ford

President Ronald W. Reagan

President George H. W. Bush

President William J. Clinton

Program Office:

Dwight D. Eisenhower Building 110 South Ferrall Street Spokane, Washington 99202-4800

> (509) 534-0430 Fax (509) 534-5245

www.studentambasxadors.ora



1956 - 2006

September 8, 2005

Parents of

Des Moines, IA 50310◀

Dear Parents of

is invited to travel and study in England, France, Belgium, The Netherlands, Germany and Switzerland in 2006. Join other outstanding middle school students from the Des Moines and central Iowa area who are eligible for People to People, an educational exploration program founded by President Dwight D. Eisenhower. has been recommended for the honor by a teacher, former Student Ambassador or national academic listing.

can experience 20 days of rewarding activities and meet the people of England, France, Belgium, The Netherlands, Germany and Switzerland all while earning high school or university credit. Your local delegation will represent the United States overseas, experience new cultures and make lifelong friends. Success and confidence await in these and other rewarding activities:

- Ride the London Eye, dare enter the infamous Tower of London, witness the changing of the royal guard and meet a member of Parliament.
- Uncover clues behind the mysterious prehistoric boulders at Stonehenge before ferrying the English Channel to France.
- Storm the coast of Normandy to trace the D-Day steps of U.S. troops in World War II, scale the heights of the Eiffel Tower for a lofty look at Paris and cruise the Seine River.
- Go local take a carriage to a Belgian chocolate maker, bicycle past windmills to a Dutch cheese factory and ascend Switzerland's famous Schilthorn by cable car.

Join other interested students and their parents at a local information meeting in mid-October to learn more about the Student Ambassador Program. To reserve your spot at the meeting, go to our website at

www.studentambassadors.org/reserve, and use the PIN below or complete the enclosed card and return it to our office before September 26. We'll see you there!

Sincerely,

Morgana Seidita Program Manager

Personal Information Number (PIN): 61749267

People to People's vevised Solicitation/invitation letter. 5/06

August 1, 2006

Parents of Jane Doe 123 Johnson Ave Des Moines, IA 50307

To the Parents of Jane Doe:

Jane is invited to travel and study in Australia in 2007. Join high school students from the Des Moines area who are eligible for People to People, an educational exploration program founded by President Dwight D. Eisenhower.

Jane can experience 20 days of rewarding activities and meet the people of Australia all while earning high school or university credit. Your local delegation will represent the United States overseas, experience new cultures and make lifelong friends. Jane will advance as a young leader through special access and focused excursions like these:

- Confidence and leadership Climb the Sydney Harbour Bridge, tackle a
 ropes course during leadership training with expert guides, and snorkel at the
 Great Barrier Reef.
- Cultural understanding Play a didgeridoo or throw a boomerang with Australia's Aboriginal Peoples. Learn the local sport of cricket and play a game
- World awareness Take an inside look at Australia's government during an
 official briefing and hand-feed wild dolphins with marine biologists on a tropica
 island.
- Friendship and memories Get "adopted" by a welcoming local family, see koalas and kangaroos, and bond with fellow delegates during a cruise on Sydney Harbour.

Join other interested students and their parents at a local information meeting in October to learn more about the Student Ambassador Program. To reserve your spot at the meeting, go to our website at www.studentambassadors.org/reserve, and use the PIN below before September 1, 2006. We'll see you there!

Sincerely,

Paul Chapin

Senior Program Director

Personal Invitation Number (PIN): 12345678